

Evaluating organizational commitment of call centre agents

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Abstract

Call centre operations are a leading industry in South Africa for employment. Call centres are plagued by high levels of employee turnover and are challenged by ensuring employee commitment. The study sets out to evaluate organizational commitment within a call centre. The study is quantitative in nature and follows a cross sectional approach. Data was collected using a convenience sample, which yielded a response rate of 282 respondents. An existing questionnaire was utilized for organizational commitment by Meyer & Allen (1997) and the retention factor scale by Döckel (2006). To ensure internal consistency, the psychometric properties of the questionnaire for validity and reliability were assessed using Factor Analysis and Cronbach's Coefficient Alpha. Descriptive and Inferential statistics were employed. The findings of the study reflect that retention factors will enhance the commitment of call centre agents, and male employees experienced higher level of commitment.

1. Background to the study

Call centres have become a multi-faceted communication centre and are regarded as a fast growing industry in the service sector (Swart, 2006). They are credited to have a vital role in developing customer centric strategies (Burns, 1995), and have become increasingly prominent for customer relationship management and increasing customer satisfaction (Curry & Lyon, 2008; Kasabov & Warlow, 2010; Rod & Ashill, 2013).

Services offered at call centres are often classified as sweat shops of the digital era and assembly lines, due to the standardisation and routinisation of work and its perceived impact towards employee well-being (Holman, 2003; Omar, 2005; Rensburg, 2010; Taylor & Bain, 1999). The underlying forces that are associated with call centres are emotional burnout, increased labour turnover and high levels of stress (Lombard, 2009). Furthermore, call centre employees are regarded as emotional labourers due to the high levels of service and customer satisfaction required (Brannan, 2005; Ferreira & Saldiva, 2002). A shift towards challenging the call centre industry's assembly line and sweatshop image is required and hence, calls for a redesign of jobs in call centres (Boonzaier & Boonzaier, 2008; Crome, 1998; Hauptfleisch & Uys, 2006).

The study sets out to evaluate organizational commitment (OC) of call centre agents, as well as to determine which retention factors may enhance employee commitment and evaluate commitment of amongst male and female agents. There is a need for

call centres to generate higher levels of commitment, as it is a critical factor to their successful operation (McGuire & McClaren, 2012).

2. Literature review

Turbulent business environments have aroused implications for the attraction and retention of employees (Dhanpat & Parumasur, 2014). However, organizations grapple to retain and elicit commitment from their employees (Chew & Chan, 2007). OC is one of the most challenging concepts researched in the field of organizational behaviour and human resource management (Cooper-Hakim & Viswesvaran, 2005). Notably, OC is one of the most popular and thoroughly validated multidimensional model (Meyer & Allen, 1991). OC refers to the nature of an employee's attachment to their organization (Shahnawaz & Jafri, 2009), and relates to how employee's identify with and their involvement in a particular organization (Mowday, Porter & Steers, 1982).

Differing approaches to the definition of OC exist. Malik, Nawab, Naeem and Danish (2010, p.18) defined OC as "the employee's emotional or affective response or attachment, identification with and involvement in the organization". OC is considered to be a three dimensional variable consisting of three components, namely, affective, continuance and normative commitment (Meyer & Allen, 1996). Common themes exist in the three component model namely, commitment binds an individual to an organization and hence, reduces turnover. In this view, Meyer and Allen (1991) considered OC to be a psychological state characterised by:

- the relationship with the organization and
- the decision to continue their membership with the organization.

Such characteristics describe the three components namely: **Affective commitment** - refers to the level at which employees are psychologically attached to the organization and possess a sense of belonging (Kumar & Eng, 2011). Employees that are affectively committed to the organization possess a willingness to pursue the organization's goals, and have feelings to remain with the organization (Bergman, 2006; Rhoades, Eisenberger & Armeli, 2001). **Continuance commitment** - according to Sikorska-Simmon (2005), this type of commitment is based on the costs that would occur if an employee leaves the organization. This consistent with the definition by Meyer and Allen (1997, p. 11) "awareness of the costs associated with leaving the organization". **Normative commitment** - this type of commitment develops by means of socialization experiences which places emphasis on

loyalty (Morrow, 2013). In hindsight, employees remain in the organization as they may feel obligated to (Anttila, 2014).

2.1. Benefits of OC

Positive outcomes of committed employees exist for employees and organizations (Greenberg & Baron, 2003) as well as consequences. Organizations that have employees that are committed results in improved relationships and increased organizational performance (Rylander 2003). High levels of commitment is noted to enhance employee well-being (Meyer & Herscovitch 2001) and influence job satisfaction (Vandenberg & Lance, 1992). From an organizational perspective, committed employees have the potential to influence organizational effectiveness (Meyer & Herscovitch 2001). Consistent to this, committed employees are likely to enhance productivity (Shahid & Azhar, 2013).

Consequently, employees who are too committed may result in an effort-reward imbalance, and may impede work-life balance, burnout, and lead to obsessive and unrealistic work patterns or even a neurotic compulsion to succeed (Kinman & Jones, 2008; Manetje, 2006). However, these potential effects are low, they are likely to be detrimental to the organization. Low levels of OC leads to employees becoming unproductive, reduced efforts and experience job dissatisfaction (Morrow, 1993).

Notably, gender distributions in organizations influences progression. According to Maume (1999), women who work in male-dominated professions experience difficulty advancing, due to gender bias experienced. In such environments, women may have fewer opportunities for development, coaching and mentoring (Lai, Lin & Leung, 1998) and could be less committed to their employer (Martins & Coetzee, 2007).

2.2. Factors affecting retention

Organizations need to make efforts in identifying factors that influence the retention of call centre agents (Barnes, 2013). Notably, retention factors facilitate the decisions whether an employee leaves or remain in the organization and hence, organizations need to prioritize against this. From a South African perspective, Döckel (2003) identified six critical retention factors.: **Compensation** – provides employees with a sense of security and recognition (Hoyt & Gerdloff, 1999) in terms of monetary and non-monetary rewards (Armache, 2014). Employees that are acknowledged and rewarded for their work experience higher levels of attachment and commitment (Salie & Schlechter, 2012).

Job content - refers to the characteristics and nature of one's job (Dyk & Coetzee, 2012). Employees that experience skill variety in their job and autonomy are more likely to remain committed to the organization (Döckel, 2006). However, work at a call centre is

characterized as repetitive and lack creativity and flexibility which leads to increased stress levels and boredom (Harry & Coetzee, 2013).

Career advancement – relates to the formalized system in which organizations focus on individual career needs and organizational objectives for the organization to gain and maintain competitive advantage. A lack of opportunities to grow are likely to hinder job satisfaction (Harry & Coetzee, 2013). The advancement of employees are pertinent in increasing an employees' affective commitment and hence, reduce their intentions to leave (João, 2010; Morrow, 2011; Weng, McElroy, Morrow & Liu, 2010).

Training and development - refers to the acquisition of skills that will enhance an employee's performance and advancement (Döckel, 2003). Employees seek such opportunities that facilitates their growth. Notably, training acts as vehicle to enhance OC through an increase in self-worth and importance (Dyk & Coetzee, 2012).

Work life balance – refers to the balance between an employee's work and family life (Mafini & Dlodlo, 2014). Employees that are able to integrate their work and family commitments, and other non-work responsibilities and activities are likely to experience increased levels of psychological attachment towards their employer (van Dyk & Coetzee, 2012) and hence, perceive that their organization cares for them.

Supervisor support – refers to the way in which supervisors provide support to employees through recognition and feedback. In hindsight, this is a precursor to retaining staff and enhancing their commitment in the long term (Morrow, 2011).

Research design

The study is cross-sectional in nature and follows a quantitative approach. Descriptive and inferential statistics were employed. Factor analysis was conducted using the pattern matrix of the principal axis factor analyses using Varimax rotation with Kaiser normalization.

a) Measuring instruments

The retention factor measurement scale (RFMS) was utilised (Döckel, 2003). The instrument measured the participants' satisfaction with six retention factors. Meyer and Allen's (1993, 1996) Organizational Commitment Scale (OCS) was used to measure OC. In terms of internal consistency reliability, Meyer et al., (1993) reported alphas for affective commitment (0.82), continuance commitment (0.74) and normative commitment (0.83). All items were presented on a five-point Likert scale ranging from strongly disagree (1) to strongly agree (5). Retention factors scored the following Chronbachs Alpha, compensation .939, training and Development .837, supervisor support .702, career advancement .736, work life balance .766.

OC achieved an alpha of .861. The study considered 0.70 as an acceptable level for internal consistency (Nunnally & Bernstein, 1994).

b) Sampling and Participants

The staff complement of the organization were approximately 500 call centre agents (from the insurance sector). Non-probability sampling design was selected and a convenience sample utilised. There was a response rate of 282. Sekaran and Bougie (2013) indicated that the acceptable sample size for a population of 500 is 260. The sample comprised of 66% females and 34% males. With regards to age, 49% were 18 to 24 years, followed by 46% and 12% between 25 to 34 and 35 to 44 respectively. 70% of the participants had a length of service of 1 year or less.

3. Results

The frequency analyses for the possibility of enhancing OC revealed:

- 51.5% of employees agreed that they are employed at their organization out of necessity.
- 41.2% of employees remained in the organization as it would be difficult to find other employment.
- 36.9% believes their organization deserves their loyalty whilst 40.2% remained neutral about their loyalty towards their employer.
- The above is consistent with 55.8% of employees would not feel guilty to leave.
- 52.3% of employees would not want to spend their rest of their careers. This is consistent with 50.6% of employees who indicated that it would be easy for them to leave.

3.1. Independent samples t-test – significant mean differences (gender)

H1: There is a significant difference in OC of male or female call centre agents. An independent-samples t-test was conducted to compare OC for males and females. There was a significant difference in scores for males ($M = 3.00$, $SD = .658$) and females ($M = 2.76$, $SD = .645$); ($t(271) = 2.95$). The magnitude of the differences in the means (mean difference = .25, 95% CI: -0.08 to 0.41) $p=0.00$ (two tailed) and (eta squared = .368), as a large effect. Hence, hypothesis 1 may be accepted.

3.2. Correlation analysis

H2: There is a significant relationship between the retention factors and OC.

A Pearson product-moment correlation coefficient was computed to assess the relationship between the retention factors and OC. There was a positive correlation for compensation ($r = 0.662$, $n = 273$, $p = 0.000$) and career advancement ($r = 0.559$, $n = 274$, $p = 0.000$). A negative correlation exists for work life balance ($r = -0.503$, $n = 274$, $p = 0.000$). A significant relationship for compensation and career advancement exists between OC. A negative significant relationship exists between work life balance and OC. Hence, hypothesis 2 may be accepted.

3.3. Multiple regression analysis

H3: Retention factors enhances organizational commitment

The total variance in the dependent variable (OC) explained in the model was 51.4% (R square). The ANOVA test also reported a significant value of .000 which shows that there is a significant difference among the mean scores of the dependent variable, because the score is less than .05 (Pallant, 2010). In terms of multicollinearity, the current study yielded tolerance values close to 1.0 (between $\geq .682$ and $\leq .791$) and VIF values of ≤ 1.46 . They are lower than the cut-off of ≥ 2.5 to ≥ 4.0 suggested for small samples; hence, multicollinearity was not a particular concern. (β) values were interpreted with more confidence. In terms of how retention factors contributed to the prediction of OC. Compensation had the largest (β) coefficient (.398), suggesting that employees value compensation more than the other factors, career advancement (.253) followed by work-life balance (-.181). These retention factors contribute significantly to the variance of OC. Hence, hypothesis 3 may be accepted.

4. Discussion

The suggested theory and findings has practical organizational and HR implications. In response to the potential problems of employee retention and OC, it is likely that call centre organizations should strive towards providing on retention factors that will enhance OC. Employees who display low levels of psychological attachment to the organization will display low levels of loyalty and hence, seek alternative employment. To ensure commitment, call centre organizations need to provide retention initiatives that will ensure OC by providing equitable reward and recognition to employees, providing clear career plans and paths to their agents, and ensuring that call centre agents are able to have successful work-life balance. This study identified that men experience higher levels of commitment. This is consistent with Arbak and Kesken (2005), due to higher salaries and better occupational positions.

Recommendations and conclusion

It is essential for call centres to be equipped with employees who are committed to the organization, and possess a sense of belonging and loyalty. In today's competitive environment, HR practitioners need to be cognisant of the retention factors that may enhance OC, which includes compensation, career advancement and work-life balance. Furthermore, call centres need to take note of gender differences and not let traditional gender stereotyping influence employees' commitment levels. Organizations that have a committed workforce are able to gain in increased revenue, improved bottom lines, and reduced costs (Babakus et al., 2003; Sahi & Mahajan, 2014).

References available upon request.